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PIC/D-158-59
6 October 1959

MEMORANDUM FOR: Deputy Director (Intelligence)

SUBJECT: Budget Forecasts for FY 1962 and FY 1963

1. In attempting to forecast the budget requirements for the Photographic Intelligence Center for FY 1962 and FY 1963, the following assumptions were made in order to arrive at a general estimate:

- a. The personnel allocation to PIC will remain constant.
- b. No additional space will be made available.
- c. Expanded efforts by the DD/P for the development of photographic collection vehicles will require corollary efforts for the research, development, and acquisition of new and more sophisticated photographic exploitation equipment.

2. The limiting factors of the first two assumptions make it unlikely that PIC will have the physical capabilities of expanding much beyond the budget level requested for FY 1961. However, the demands for service and increased emphasis on the use of photographic intelligence will dictate continued efforts to develop and acquire equipment and techniques to automate the exploitation processes to the greatest extent possible. With these factors in mind, the budget outlook for Fiscal Years 1962 and 1963 is estimated as follows:

	<u>FY 1962</u>	<u>FY 1963</u>
Personal Services		
All Other		
Total		

These forecasts represent an increase of in FY 1962 over the level of support requested for FY 1961, and an increase of in FY 1963 over FY 1962. These increases are caused by the higher cost of personal services and related costs.

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Budget Forecasts for FY 1962 and FY 1963

3. It must be pointed out that the foregoing figures may be entirely unrealistic, depending upon the Agency response to certain staff studies and recommendations regarding the future role of photographic intelligence in the CIA intelligence production process. The decisions made in this regard will have a material effect on the PIC budget requirements and very possibly on the budget estimates of the supporting elements of the Agency.

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ARTHUR C. LUNDAHL
Director

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